APPENDIX

[*Vide* answer to starred question No. 366 on page 428.]

Steps taken to make yarn available to Handloom Weavers at reasonable prices.

The increase in the prices and scarcity of certain counts of yarn is a problem which has been facing the handloom industry for some time past. The major factors contributing to the present situation are listed below :—

(1) Shortage of raw cotton.

(2) Consumption by the decentralised powerlooms in other States.

(3) Uneven quality of yarn and preference by the Handloom Weavers for the products of particular mills.

Government of India after considering all the aspects of the problems have referred the question of devising a formula for fixing the fair ex-mill and retail prices of yarn to the Tariff Commission. The Commission has not yet made its report. The Government have been watching the situation and have been taking all possible steps to ensure the supply of yarn to weavers at reasonable prices. Conferences of mill owners and handloom interests have been convened from time to time to discuss the problem and to resolve difficulties. The last conference was held on 30th April 1962 at Coimbatore and it was decided that the Voluntary Distribution Scheme should be extended to coton yarn of counts 60s and above also.

From 1st November 1962 the Textile Commissioner has brought into force the All-India Cotton Yarn Distribution Scheme to make yarn available to weavers at fair prices.

T ı scheme covers—	*Number of bales allotted.*
(1) Handloom Weavers' Co-operative Societies;	6,225 bales per mensem.
(2) Exporters of handloom fabrics and	2,000 bales per mensem (expected).
(3) Handloom manufacturers outside the co-operative fold.	4,000 bales per mensem.

Under this scheme yarn is supplied to weavers at the prices fixed by the Indian Cotton Mills' Federation for the various counts. The allottees will also bear excise duty, sales tax, insurance, transport and other incidental charges.

As far as possible, allotments are being made from the nearest production centres.

The scheme is working fairly and satisfactorily.